

# MINUTES OF THE ASSESSING STANDARDS BOARD

## Approved as Written

**DATE:** September 11, 2015

**TIME:** 9:30 a.m.

**LOCATION:** NH Department of Revenue Administration – Training Room, 109 Pleasant Street, Concord NH

## **BOARD MEMBERS:**

Senator Regina Birdsell ~ *Absent*  
Representative Peter Schmidt  
Len Gerzon, Public Member, Chairman  
Robert J. Gagne, NHAAO, City, Vice-Chairman  
Eric Stohl, Municipal Official, Towns <3,000  
Marti Noel, NHAAO  
Thomas Thomson, Public Member ~ *Absent*  
Vacant, Municipal Official, Towns >3,000

Senator Bette Lasky ~ *Absent*  
Representative Mark Proulx  
Stephan Hamilton, NHDRA  
Joseph Lessard, NHAAO, Towns >3,000  
Jim Wheeler, Municipal Official, City ~ *Absent*  
Todd Haywood, NHAAO, Towns <3,000  
Betsey Patten, Public Member

## **MEMBERS of the PUBLIC:**

Mike Ryan, Hanover  
Bob Dunn, NHEC/FairPoint  
Erin McCan  
Scott Bartlett, Goffstown  
Mary Pinkham-Langer, NHDRA

Kathy Carter  
Cindy Brown, BTLA  
Rosann Lentz, Portsmouth  
Jon Duhamel, Laconia  
Loren Martin, Avitar

Chairman Gerzon convened the meeting at 9:30 a.m.

Introductions followed.

Chairman Gerzon began the meeting by acknowledging Mr. Lessard and Mr. Haywood would not be continuing their membership on the ASB. He recognized them for their dedication and commitment to the board and thanked them for their contributions and years of service.

## **Minutes**

Mr. Lessard ***motioned to accept the minutes of the June 26, 2015, regular board meeting.*** Mr. Gagne ***seconded the motion.*** Ms. Derosier noted there was a correction to the location of the rental and expense subcommittee meeting. No further discussion. Chairman Gerzon called the motion to accept the minutes of the June 26, 2015, meeting as amended. Mr. Stohl abstained. All others approved. ***Motion passed.***

## **Correspondence**

Correspondence was received from Mr. Haywood pertaining to an agreement with the department resulting from a violation. Mr. Haywood stated the issue has been resolved; he has accepted the consequences and has worked with the department to fulfill his duty within the agreement. A lengthy discussion ensued. Talking points included whether or not the full ASB needed to be made aware of the issue; concern about the lack of transparency of the DRA process, concern that the rules in place are not appropriate and a suggestion to consider minimum standards.

After additional discussion, Ms. Patten ***motioned to table this discussion for another meeting when the***

**personal aspect has been removed and the board can focus on potential rule changes.** Mr. Lessard **seconded the motion.** After a brief discussion, Chairman Gerzon called the motion to table the issue. All approved. **Motion passed.**

Mr. Haywood was thanked and commended for his years of service and work on the board.

### **Legislative Update**

Ms. Patten reported that Representative Abrami has put in a placeholder with the formula passed by the House as the deadline was September 18, 2015. The re-referred HB 192 is still on the table in the Senate.

After a brief discussion, it was agreed that issues are still being worked on and that no additional placeholders were necessary at this time.

### **Subcommittee Update**

- Rules and Definitions

Chairman Gerzon reported this subcommittee did not meet during the summer break but that there was code of conduct and definition revisions to be reviewed. He stated he would schedule a meeting of the subcommittee for early October. The potential new members of the board would be invited.

An issue was brought to the board pertaining to the lack of a completed background check for measurer and listers who are training in the field. There is no requirement under the current rules for a person to have a background check before being trained to do inspections in the field. The department has been working on corrective language so that it would be required to have pre-notice of training and a completion of the background check prior working in the field.

A discussion took place as to whether this issue should be acted on separate from the other rules due to public safety. Mr. Gagne ***motioned that before any field work is completed for measure and listing that a background check be submitted to the DRA.*** Ms. Patten ***seconded the motion.*** The option to present this rule to JLCAR as an emergency rule was considered. Mr. Hamilton stated he would work with the department legal staff to develop language for the rule in order to present the final wording at the next meeting for a vote and then to JLCAR for approval. Representative Schmidt stated the rule would not need to be approved by JLCAR; it is informational only and would go into effect due to being a public safety issue. Chairman Gerzon called the motion. All approved. **Motion passed.**

- Subcommittee on Former HB 547

Ms. Patten thanked those who have participated both on the committee and the audience. She reported the subcommittee has held five meetings. A spreadsheet was prepared and distributed to assessors and companies to collect data pertaining to the valuation of telephone poles. With the data received to date, it appears the two sides (companies and towns) are using different beginning numbers for the poles being assessed. A committee of Mr. Lessard, Mr. Cornell, Mr. O'Quinn and Ms. Lentz has been asked to scrub the data received in order to determine what is actually happening.

Ms. Patten stated the subcommittee requested permission from the NHA AO, and they agreed, to allow Mr. Lessard, who will no longer be a member of the full ASB, to remain on the subcommittee through its conclusion.

The subcommittee has heard presentations on the following topics:

- Historical presentation by Cordell Johnston, NHMA
- Utility valuation summary by DRA
- FairPoint Communications
- Presentations relating to how valuations from multiple size communities are derived
  - (Small) Moultonborough, Gary Karp
  - (Medium) Goffstown, Scott Bartlett
  - (Large) George Sansoucy
- Presentations on HB 192
  - Unitil
  - Granite State Hydropower Association
  - New Hampshire Electric Co-op

At the last meeting, the subcommittee discussed what to report to the full board. As previously stated, the towns and FairPoint may be valuing a different number of poles. The subcommittee has not made a determination to date as to whether or not there is an issue with the valuation of telephone poles. Pertaining to HB 192, while there were strong personal opinions on the ability of the taxpayer to use the DRA valuation in appeals, as a subcommittee of the Assessing Standards Board, it was determined that it is not under the purview of RSA 21-J:14 for the board to determine what the courts should and should not consider and that it is a legislative and/or judicial issue.

Mr. Lessard ***motioned to authorize the chairman to draft a letter to Senator Boutin, including a copy of the duties and responsibilities of the ASB, notifying him of the non-recommendation of the ASB pertaining to HB 192.*** Ms. Patten ***seconded the motion.*** Chairman Gerzon called the motion. Representative Schmidt opposed. All others approved. ***Motion passed.***

- Rental and Expense Data

Ms. Noel reported the subcommittee is in the process of composing a white paper to be used as an educational tool to clarify the information being requested, which is property rental information only, and why the income approach is an important tool for the assessors to use. The subcommittee has held two meetings, an outline has been completed and there are several people working on portions of the paper.

Ms. Noel stated that it has been an interesting process, analyzing the different positions of the parties involved. The next meeting of the subcommittee will be held on Wednesday, September 16, 2015, at the Manchester City Hall in the Walter Stiles conference room at 9:00 a.m.

Ms. Noel reported the following assessors have been in attendance: Ms. Noel, Mr. Michaud, Bill Ingalls, Rosann Lentz and Rex Norman. Also attending have been Mr. Cornell, Mark Dickey representing the NH Commercial Industrial Board of Realtors and the public and Attorney Paul Alfano, also representing the public. No legislators have attended the meetings although Representative Belanger has shown interest.

Mr. Hamilton added the durability of this white paper and the work being done is very important. The analysis and description of why this information is important will help to educate the legislature now and in the future.

## **Meetings and Work Sessions**

A brief discussion took place about public meetings and work sessions and whether all meetings should be posted publicly. The subcommittees hold work sessions in which only the members of the committee are in attendance, however others have been open to the public. It was noted that any work done by a subcommittee is not public until the full board has received it.

It was determined that all meetings would be posted on the department's website and distributed to the interested parties' mailing list in an effort to be transparent. It will be determined by the chair at each meeting whether or not to accept public comment. Working papers will not be available to the public but they can observe the process. The one concern was to make sure the meeting was held in a room with ample space.

Mr. Gagne ***motioned to post all subcommittee meetings and work sessions on the DRA website and to allow the chair to have discretion whether or not accept public comment at each meeting.*** Mr. Haywood ***seconded the motion.*** Chairman Gerzon called the motion. All approved. ***Motion passed.***

## **Meeting Schedule**

The next full board meeting will be held on Friday, October 16, 2015, 9:30 a.m. at the DRA

## **Task List**

Ms. Noel ***motioned for the ASB to add, as a high priority to the task list, the discussion to modify ASB 308.02.*** Mr. Gagne ***seconded the motion.*** Mr. Stohl stated this subject has been discussed by the board and it was a difficult discussion. Sanctions and penalties are not a popular topic but there needs to be a process. If this motion is being brought because of one incidence, he would vote against it. During the first go around, MS. Patten stated that minimum standards were suggested and it was the one thing the assessors were adamant not to include so the board gave the discretion to the DRA. It was suggested that there needs to be a process or framework and that looking at other organizations could provide some ideas. Mr. Hamilton added the one requirement of the discipline is to protect the public; the part of the process the department has struggled with. Whatever the process, it has to contemplate the safety of the public.

Mr. Gagne ***withdrew his second to Ms. Noel's motion.*** He added that some time is needed to process this information. After a meeting or two, if the issue needs to be addressed, he would be in favor of it. Chairman Gerzon called for a second to the motion. There was none.

Mr. Hamilton added the task list will be reviewed at the beginning of next year and the task may be added at that time.

Mr. Stohl thanked Mr. Haywood and Mr. Lessard for their service. Mr. Haywood for his time on the board and great conversations in which he learned a lot and Mr. Lessard for his effort to help train a non-assessor on some complex issues.

Mr. Gagne ***motioned to adjourn.*** Ms. Patten ***seconded.***

Chairman Gerzon adjourned the meeting at 11:28 a.m.

Respectfully submitted,

Stephanie Derosier  
NH Department of Revenue Administration – Municipal and Property Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5096  
Facsimile: (603) 230-5947  
Web: [www.revenue.nh.gov](http://www.revenue.nh.gov)  
E-mail: [asb@dra.nh.gov](mailto:asb@dra.nh.gov)

In person at:  
109 Pleasant Street, Concord  
In writing to:  
NH Department of Revenue  
Assessing Standards Board  
PO Box 487  
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